

**Assembly Bill No. 2461**

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Passed the Assembly    August 22, 1996

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*Chief Clerk of the Assembly*

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Passed the Senate    August 8, 1996

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_ day  
of \_\_\_\_\_, 1996, at \_\_\_\_ o'clock \_\_M.

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*Private Secretary of the Governor*

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## CHAPTER \_\_\_\_

An act to amend Sections 6075, 6105, and 6106 of, and to add Section 6077.5.5 to, the Harbors and Navigation Code, relating to harbor districts.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2461, Takasugi. Harbor districts.

(1) Existing law authorizes a harbor district to acquire, construct, own, operate, control, or develop any harbor works or facilities within the limits of its boundaries.

This bill, in addition, would authorize a harbor district that does not operate on tide and submerged lands that have been granted by legislative enactment, to carry out those activities within or outside the boundaries of the district.

(2) Under existing law, harbor districts may acquire, purchase, take over, construct, maintain, operate, develop, and regulate grain elevators, bunkering facilities, belt or other railroads, floating plants, lighterage, towage facilities, and any other facilities, aids, equipment, or property necessary for, or incident to, the development and operation of a harbor or for the accommodation and promotion of commerce, navigation, or fishery in the harbor district.

This bill, in addition, would authorize the Oxnard Harbor District to acquire, purchase, take over, construct, maintain, operate, develop, and regulate airports and roads, with the prior consent of various entities, as specified.

(3) Existing law authorizes a harbor district to issue revenue bonds for the acquisition and construction, or acquisition or construction, of any improvements of property or facilities within its authority. Existing law also authorizes the district to issue parity revenue bonds if the district determines, among other things, that the net revenues of the district for the prior fiscal year have amounted to at least 125% of the maximum annual debt service in any fiscal year thereafter, including all

indebtedness incurred as the result of additional issues of bonds.

This bill would authorize the district, for purposes of calculating the net revenues of the district for the prior fiscal year, to include up to 75% of the district's estimated additional annual revenue to be derived from (a) any additions, improvements, or extensions to the district's properties, works, or facilities which were not in service during the prior fiscal year, and that were, or are to be, made using funds from any source, or (b) any increase in the charges made for the district's services that became effective prior to the authorization of the parity revenue bonds, but which were not in effect during the prior fiscal year.

(4) Existing law authorizes a harbor district board to issue revenue bonds for the acquisition and construction, or acquisition or construction, of any authorized improvements of property or facilities.

This bill also would authorize the district to issue revenue bond anticipation notes, on a negotiated or a competitive bid basis.

*The people of the State of California do enact as follows:*

SECTION 1. Section 6075 of the Harbors and Navigation Code is amended to read:

6075. Notwithstanding Section 6012:

(a) A harbor district may acquire, construct, own, operate, control, or develop any and all harbor works or facilities within the limits of its established boundaries. No interest in lands may be acquired, either by lease, purchase, or the exercise of the power of eminent domain within any port district, chartered port, harbor improvement district, incorporated city, or recreational harbor district without the prior consent to the acquisition by resolution of the governing body of each district, port, or city in which the lands are located.

(b) Notwithstanding subdivision (a), a harbor district that does not operate on tide and submerged lands that have been granted by legislative enactment may acquire,



construct, own, operate, control, or develop any and all harbor works or facilities within or outside the boundaries of the district. No interest in lands may be acquired, either by lease, purchase, or the exercise of the power of eminent domain within any port district, chartered port, harbor improvement district, incorporated city, county, or recreational harbor district without the prior consent to the acquisition by resolution of the governing body of the district, port, city, or county in which the lands are located.

SEC. 2. Section 6077.5.5 is added to the Harbors and Navigation Code, to read:

6077.5.5. Notwithstanding any other provision of this part, the Oxnard Harbor District may acquire, purchase, take over, construct, maintain, operate, develop, and regulate airports and roads with the prior consent of each district, port, city, or county in which the lands are located.

SEC. 3. Section 6105 of the Harbors and Navigation Code is amended to read:

6105. (a) The lien of the bonds of the same issue shall be prior and superior to all revenue bonds subsequently issued.

(b) The district shall only issue parity revenue bonds if the district board determines, based on an audit of the district's finances conducted under generally accepted accounting principles, that both of the following conditions exist:

(1) The district is not in default in the repayment of any prior issuance of its bonds.

(2) The net revenues of the district for the prior fiscal year have amounted to at least 125 percent of the maximum annual debt service in any fiscal year thereafter, including all indebtedness incurred as the result of additional issues of bonds.

(A) For purposes of calculating the net revenues of the district for the prior fiscal year pursuant to this paragraph, the district may include up to 75 percent of the district's estimated additional annual net revenue to be derived from either of the following:



(i) Any additions, improvements, or extensions to the district's properties, works, or facilities, or the pro rata portion thereof, which were not in service during the prior fiscal year, and that were, or are to be, made using funds from any source, including, but not limited to, the parity revenue bonds.

(ii) Any increase in the charges made for the district's services that became effective prior to the authorization of the parity revenue bonds but which were not in effect during the prior fiscal year.

SEC. 4. Section 6106 of the Harbors and Navigation Code is amended to read:

6106. Proceedings for the issuance of the bonds shall commence, the board shall have those powers and duties, and the bondholders shall have those rights and remedies provided in Sections 54344 to 54346, inclusive, Sections 54347, 54348, 54350, 54351, 54352, and Article 4 (commencing with Section 54400) to Article 11.5 (commencing with Section 54664), inclusive, of Chapter 6 of Part 1 of Division 2 of Title 5 of the Government Code. As used in those provisions, "resolution" means ordinance, "local agency" means district, and "legislative body" means board.

Approved \_\_\_\_\_, 1996

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*Governor*

